

Comptroller of the Currency, Treasury

§ 32.6

making this determination include, but are not limited to, the following:

(A) Whether the restructuring involves a substantial portion of the total commercial bank loans outstanding to the foreign government, its agencies, and instrumentalities;

(B) Whether the restructuring involves a substantial number of the foreign country's external commercial bank creditors;

(C) Whether the restructuring and consolidation under a central obligor is being done primarily to facilitate external debt management; and

(D) Whether the restructuring includes features of debt or debt-service reduction.

(iii) *50 percent aggregate limit.* With respect to any case in which the non-combination process under paragraph (f)(3)(i) of this section applies, a national bank's loans and other extensions of credit to a foreign government, its agencies and instrumentalities, (including restructured debt) shall not exceed, in the aggregate, 50 percent of the bank's capital and surplus.

§ 32.6 Nonconforming loans.

(a) A loan, within a bank's legal lending limit when made, will not be deemed a violation but will be treated as nonconforming if the loan is no longer in conformity with the bank's lending limit because—

(1) The bank's capital has declined, borrowers have subsequently merged or formed a common enterprise, lenders have merged, the lending limit or capital rules have changed; or

(2) Collateral securing the loan to satisfy the requirements of a lending limit exception has declined in value.

(b) A bank must use reasonable efforts to bring a loan that is nonconforming as a result of paragraph (a)(1) of this section into conformity with the bank's lending limit unless to do so would be inconsistent with safe and sound banking practices.

(c) A bank must bring a loan that is nonconforming as a result of circumstances described in paragraph (a)(2) of this section into conformity with the bank's lending limit within 30 calendar days, except when judicial proceedings, regulatory actions or other extraordinary circumstances be-

yond the bank's control prevent the bank from taking action.

PART 33—[RESERVED]

PART 34—REAL ESTATE LENDING AND APPRAISALS

Subpart A—General

Sec.

34.1 Purpose and scope.

34.2 Definitions.

34.3 General rule.

34.4 Applicability of State law.

34.5 Due-on-sale clauses.

Subpart B—Adjustable-Rate Mortgages

34.20 Definitions.

34.21 General rule.

34.22 Index.

34.23 Prepayment fees.

34.24 Nonfederally chartered commercial banks.

34.25 Transition rule.

Subpart C—Appraisals

34.41 Authority, purpose, and scope.

34.42 Definitions.

34.43 Appraisals required; transactions requiring a State certified or licensed appraiser.

34.44 Minimum appraisal standards.

34.45 Appraiser independence.

34.46 Professional association membership; competency.

34.47 Enforcement.

Subpart D—Real Estate Lending Standards

34.61 Purpose and scope.

34.62 Real estate lending standards.

APPENDIX A TO SUBPART D OF PART 34—INTERAGENCY GUIDELINES FOR REAL ESTATE LENDING

Subpart E—Other Real Estate Owned

34.81 Definitions.

34.82 Holding period.

34.83 Disposition of real estate.

34.84 Future bank expansion.

34.85 Appraisal requirements.

34.86 Additional expenditures and notification.

34.87 Accounting treatment.

AUTHORITY: 12 U.S.C. 1 *et seq.*, 29, 93a, 371, 1701j-3, 1828(o), and 3331 *et seq.*